

Health Services' Board Letter

Chief Administrative Officer's Memo



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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December 4, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENTS WITH OLIVE VIEW/UCLA
EDUCATION AND RESEARCH INSTITUTE AND THE DEPARTMENT
OF VETERANS AFFAIRS, VETERAN'S ADMINISTRATION GREATER
LOS ANGELES HEALTHCARE SYSTEM FOR THE PROVISION
OF GENETIC COUNSELING AND PODIATRIC SERVICES**

(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Health Services, or his designee, to execute Amendment No. 1, substantially similar to Exhibit I, to Agreement No. H-700134, with Olive View/UCLA Education and Research Institute (ERI), to increase the maximum obligation by \$18,972, from \$9,000 to \$27,972, for the provision of genetic counseling services, for the period of July 1, 2003 through December 31, 2003, and to extend the term from January 1, 2004 through December 31, 2004 for a maximum obligation of \$55,944, for a combined total of \$83,916, net County cost.
2. Approve and instruct the Director of Health Services, or his designee, to execute Amendment No. 1, substantially similar to Exhibit I, to Agreement No. H-700143, with the Department of Veterans Affairs, Veteran's Administration Greater Los Angeles Healthcare System (VA), to increase the maximum obligation by \$22,800, from \$56,000 to \$78,800, for the provision of podiatric services, for the period of July 1, 2003 through December 31, 2003, and to extend the term from January 1, 2004 through December 31, 2004 for a maximum obligation of \$157,600, for a combined total of \$236,400, net County cost.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Approval of the two amendments, one for the agreement with the ERI and one for the agreement with the VA, will increase the maximum obligation of both agreements to \$27,972 and \$78,800 respectively to allow for the payment of personnel and services that were not approved by the Board, effective retroactively to July 1, 2003 through December 31, 2003. In addition, the amendments will extend the term for the two agreements for the period January 1, 2004 through December 31, 2004.

The increase in the maximum obligation for the ERI agreement will allow the Department to pay for a Prenatal Diagnosis Clinic Coordinator. Prior to July 1, 2003, the ERI was providing to the County at no cost, the clinic coordinator position through a grant. Subsequent to approval by the Board of the current term for this agreement, the ERI learned that grant-funding for this position would not continue beyond June 30, 2003. Since this position is vital to the operation of the genetic counseling services, the Department is requesting an increase to the maximum obligation in the amount of \$18,972 so as to compensate for the loss in grant-funding so that the County can continue the operation of this clinic at its current support level.

The increase in the maximum obligation for the VA agreement will allow the Department to pay for a Chief Resident position who is responsible for resident training at a cost of \$20,450 and for an increase in the salaries of the three podiatric residents providing the contracted services at a cost of \$130.56 per resident per month for a total cost of \$2,350. According to the Department, funding for the Chief Resident position, as well as the salaries for the three residents, were included in the prior term of this agreement when the services of the VA were obtained through the purchase order process. Due to a computational error that was made when preparing the current term of the agreement with the VA, funding for these items were inadvertently excluded from the contract budget.

Despite the fact that the Prenatal Diagnosis Clinic Coordinator and Chief Resident positions are not included in the current term budgets for the ERI and VA agreements, the Department has been reimbursing both providers for services rendered by the individuals holding the respective positions.

FISCAL IMPACT/FINANCING:

Amendment No. 1 to Agreement No. H-700134 with ERI will increase the maximum obligation by \$18,972, from \$9,000 to \$27,972, for the current term ending December 31, 2003. Amendment No. 1 will also extend the term an additional 12 months, from January 1, 2004 through December 31, 2004, for a maximum obligation of \$55,944. The total maximum obligation for July 1, 2003 through December 31, 2004 is \$83,916, net County cost.

Amendment No. 1 to Agreement No. H-700143 with the VA will increase the maximum obligation by \$22,800, from \$56,000 to \$78,800, for the current term ending December 31, 2003. Amendment No. 1 will also extend the term an additional 12 months, from January 1, 2004 through December 31, 2004, for a maximum obligation of \$157,600. The total maximum obligation for July 1, 2003 through December 31, 2004 is \$236,400, net County cost.

Funding for the amendments is included in the Department of Health Services' Fiscal Year 2003-04 Adopted Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On June 17, 2003, the Department of Health Services (DHS or Department) received delegated authority from your Board to execute various agreements, upon review and approval by County Counsel, through December 31, 2003, for services previously obtained through the purchase order process for mission critical services that had reached or exceeded the Purchasing Agent's statutory authority and that required Board approval for the continuation of services. Under this Board action, Genetic Counseling and Podiatric Services Agreements were approved for ERI and the VA, to continue these services to the Department, pending the completion of competitive bid processes.

The Department intended to develop Master Agreements to cover a variety of services including genetic counseling and podiatric services. Due to critical staff shortages, the Department was unable to release competitive bids for these services prior to the expiration of the agreements on December 31, 2003. The Department is continuing in its efforts to develop the Master Agreements for your Board's approval.

County Counsel has reviewed and approved the Form Amendment, Exhibit I, as to use.

Attachment A provides additional information.

CONTRACT PROCESS:

It is not appropriate to advertise amendments to existing agreements on the Los Angeles County Online Web Site.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of these amendments will enable the Department to fully reimburse each of the contractors and to continue genetic counseling and podiatric services uninterrupted while the Department prepares and releases competitive bid documents.

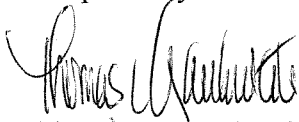
The Honorable Board of Supervisors

December 4, 2003

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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite".

Thomas L. Garthwaite, MD
Director and Chief Medical Officer

TLG:pm

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

BL VA&ERI REV mc.wpd

SUMMARY OF AMENDMENTS

Olive View/UCLA Education and Research Institute

1. **TYPE OF SERVICE:**

Genetic counseling and prenatal diagnosis and education services to underserved populations.

2. **AGENCY ADDRESS AND CONTACT PERSON:**

Denise Tritt, Business Manager
14445 Olive View Drive
Sylmar, California 91342
Telephone: (818) 364-3434
Facsimile: (818) 364-3465

3. **FINANCIAL INFORMATION:**

Amendment No. 1 to Agreement No. H-700134 with ERI will increase the maximum obligation by \$18,972, from \$9,000 to \$27,972, for the current term ending December 31, 2003. Amendment No. 1 will also extend the term an additional 12 months, from January 1, 2004 through December 31, 2004, for a maximum obligation of \$55,944. The total maximum obligation for July 1, 2003 through December 31, 2004 is \$83,916, net County cost.

Department of Veterans Affairs, Veteran's Administration Greater Los Angeles Healthcare Systems (VA)

1. **TYPE OF SERVICE:**

Evaluation and treatment of disease and trauma to the foot and ankle, and surgical and medical therapy as appropriate, will be provided to offset the limited orthopedic services currently provided at Olive View/UCLA Medical Center.

2. **AGENCY ADDRESS AND CONTACT PERSON:**

Ralph Tillman, Director of Asset Management
11301 Wilshire Boulevard
Los Angeles, California 90073
Telephone: (310) 268-3822
Facsimile: (310) 268-3494
E-mail: Ralph.Tillman@med.va.gov

3. **FINANCIAL INFORMATION:**

Amendment No. 1 to Agreement No. H-700143 with the VA will increase the maximum obligation by \$22,800, from \$56,000 to \$78,800, for the current term ending December 31, 2003. Amendment No. 1 will also extend the term an additional 12 months, from January 1, 2004 through December 31, 2004, for a maximum obligation of \$157,600. The total maximum obligation for July 1, 2003 through December 31, 2004 is \$236,400, net County cost.

SUMMARY OF AMENDMENTS (cont.'d)

BOTH AMENDMENTS

4. **TERM:**

July 1, 2003 through December 31, 2004.

5. **GEOGRAPHIC AREA TO BE SERVED:**

All Districts.

6. **ACCOUNTABLE FOR MONITORING AND EVALUATION:**

Melinda Anderson, Chief Executive Officer, Olive View Medical Center

7. **APPROVALS:**

Contracts and Grants Division: Riley J. Austin , Acting Chief

County Counsel (as to form): Elizabeth Friedman, Senior Deputy

EXHIBIT I

Contract No. _____

_____ SERVICES AGREEMENT

AMENDMENT NO. 1

THIS AMENDMENT is made and entered into this _____ day
of _____, 2003,

by and between COUNTY OF LOS ANGELES (hereafter
"County").

and _____
(hereafter "Contractor").

WHEREAS, reference is made to that certain document
entitled, "_____ SERVICES AGREEMENT", dated
June 17, 2003, and further identified as County Agreement No.
H-_____, and any amendments thereto (all hereafter referred
to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend the
Agreement to extend its term and make the changes described
hereinafter; and

WHEREAS, Agreement provides that changes may be made in the
form of a written amendment which is formally approved and
executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective on the date of
Board approval.

2. The term of Agreement is hereby extended one (1) year and shall expire at midnight on December 31, 2004.

3. Effective upon Board approval all references to "Exhibit(s) ___ and ___" in the body of this Agreement, shall hereafter be replaced by "Exhibit(s) ___-1 and ___-1".

4. Paragraph 1, TERM, of the Agreement shall be revised to read as follows:

"1. TERM: The term of this Agreement shall commence on July 1, 2003, and unless sooner canceled or terminated as provided herein, shall continue in full force and effect to midnight December 31, 2004.

In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, upon the giving of at least ten (10) calendar days' prior written notice to the other.

Notwithstanding any other provision of this Paragraph, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directions by or on behalf of County issues pursuant hereto shall constitute a material breach hereto, and this Agreement may be terminated by County immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time."

5. Subparagraph A of Paragraph 2, DESCRIPTION OF SERVICES, of the Agreement shall be revised to read as follows:

"2. DESCRIPTION OF SERVICES:

A. Contractor shall provide services in the form as described in the body of this Agreement and "Exhibit(s) __-1 and __-1", "Scopes of Work", both(all) attached hereto and incorporated herein by reference."

6. Subparagraphs A and C of Paragraph 4, BILLING AND PAYMENT, of the Agreement shall be revised to read as follows:

"A. County agrees to compensate Contractor in accordance with the payment structure set forth in Exhibits __-1 and __-1, both(all) attached hereto and incorporated herein by reference.

C. Payment by County hereunder shall be made within thirty (30) days after receipt of a billing statement which is deemed to be complete and correct by DHS' Olive View Medical Center, and/or the County's Auditor-Controller, or his/her duly authorized representative in accordance with Exhibits __-1 and __-1, Paragraph 4, PAYMENT, hereinbelow."

7. Paragraph 5, MAXIMUM OBLIGATION OF COUNTY, of the Agreement shall be revised and replaced with the following:

"5. MAXIMUM OBLIGATION OF COUNTY:

A. During the period of July 1, 2003 through December 31, 2003, the maximum obligation of County for all services provided hereunder shall not exceed (enter first term dollar amount here) Dollars (\$enter numerical amount).

B. During the period of January 1, 2004 through December 31, 2004, the maximum obligation of County for all services provided hereunder shall not exceed (enter first term dollar amount here) Dollars (\$enter numerical amount)."

8. Effective upon Board approval all references to "Exhibit(s) ___ and ___", shall be replaced by "Exhibit(s) ___-1 anmd ___-1", attached hereto and incorporated herein by reference.

9. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Director of Health Services, and Contractor has caused this
Amendment to be subscribed in its behalf by its duly authorized
officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By _____
Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

Contractor

Signature

By _____
Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
LLOYD W. PELLMAN
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Acting Chief, Contracts and
Grants Division

11/25/03
CD3112_LVB
LB Amendment Form Agr.wpd



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

December 12, 2003

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: 
David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**DEPARTMENT OF HEALTH SERVICES RECOMMENDATION TO APPROVE
RETROACTIVE AMENDMENTS FOR SERVICES AT OLIVE VIEW-UCLA MEDICAL
CENTER (ITEM NO. 39, AGENDA OF DECEMBER 16, 2003)**

Item No.39 on your December 16, 2003 agenda is the Department of Health Services' (DHS) request for Board approval of two amendments, effective retroactively to July 1, 2003 through December 31, 2003. The first applies to an existing contract with Olive View/UCLA Education and Research Institute (ERI) for genetic counseling services and the second is for an existing agreement with the Department of Veterans Affairs, Veteran's Administration Greater Los Angeles Healthcare System (VA), for podiatric services at Olive View - UCLA Medical Center. These actions are not in compliance with the Board-approved policy to ensure the timely submission of contracts for Board approval.

Despite the retroactive nature of the amendments, we approved placement of this item on the agenda for consideration by your Board because the amendments involve direct patient care services deemed vital by the Department. We were recently advised that DHS will request that the retroactive provisions related to the podiatry services amendment be referred back to them for further review. Regarding the retroactive provisions for the genetic counseling services, DHS indicates that, after Board approval of the ERI agreement, they were advised that grant funds used by ERI to fund one of the genetic counseling positions had expired on June 30, 2003. Because this position is vital to the genetic counseling program, DHS is requesting that the costs of this position be added to the current agreement, retroactive to July 1, 2003. In addition, the amendments will extend the terms of the agreements for an additional 12 months effective January 1, 2004 through December 31, 2004. The Department has indicated that they will take appropriate corrective action regarding employees involved with the need to seek retroactive approval of these amendments.

Each Supervisor
December 12, 2003
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If you have any questions or need additional information, please contact me or your staff may contact Dennis Conte at (213) 893-9741.

DEJ:DIL
SAS:DC:bjs

c: Executive Officer, Board of Supervisors
 County Counsel
 Auditor-Controller
 Director of Health Services